

MINUTES  
CITY COMMISSION MEETING

January 11, 2016

The City Commission met this date in regular session in the Commission Chambers. The Invocation was given by Commissioner Strong after which the Pledge of Allegiance was recited. A quorum being present, the meeting was called to order at 6:00 PM with the following in attendance.

Mayor	:	John B. Arnold, Jr.
Commissioners	:	Heyward H. Strong, Jr.
	:	Joe Morgan
	:	Clark (Tom) Browning, IV
	:	Kay Hamilton
City Clerk	:	Tammy Johnson
City Administrator	:	Carl Scott
Police Chief	:	Joe Hart
Fire Chief	:	Mark Norris
City Engineer	:	Roy Petrey
City Attorney	:	Bruce Bowman (for H. Dykes)
VBCS Manager	:	James Butler
Recorder	:	Amber Elledge

Others in attendance: (Not inclusive) Amber Elledge (camera), Marion Cassell, Annie Cameron, John Cameron, Fred Boyer, Judy Boyer, Louise Graham, Christine Wasdin, Joe Cobb, Ronald Vanzant(Jordan & Associates), Marcia Sanders (Reporter)

Mayor Arnold welcomed the audience and stated that the Commission was interested in hearing their thoughts and welcomed any comments. He asked that anyone wanting to make any comments should raise his/her right hand to be recognized and use the microphone at the podium to address the Commission.

**1. CDBG (Community Development Block Grant) FIRST PUBLIC HEARING**

Mr. Vanzant said he is here to assist the city with the citizen’s participation requirements under the CDBG. He said that the city must make the public aware that it is going to apply, and that the City of Valparaiso is eligible to apply for up to \$650,000 under the CDBG program. He said if the city does decide to apply it must apply under one of four categories: housing rehabilitation, wherein the city would help owned or occupied housing units, bring them up to current Florida building code or address any safety or health hazards; commercial revitalization, where it would improve a downtown area by putting up building facades, new water lines or new sewer lines; economic development, which would entail a participating party to come in and provide jobs; and the most common, the neighborhood revitalization category in which any type of improvements to public infrastructure within city easements or on city property may be made. He said this year the NOFA funding information has not been made public yet but should be published in the next couple of days. However, using last year’s funding percentages they expect there to be about \$22 million available. 16% of that will go to the housing rehab category, 40% will go to the neighborhood revitalization category, another 40% will go to the economic development category, and about 3.5% will go to the commercial revitalization category. He said because this is part of the citizens’ participation requirement, the purpose this evening is just to make that information available and to seek public comment on what activities they might want to see the city complete, or more specifically to recommend a category of funding which the city should apply under.

Mayor Arnold asked if anyone in attendance had any questions for Mr. Vanzant. Mrs. Cameron asked how much money goes towards the assistance Jordan & Associates is providing us with our application. Mr. Vanzant advised that the State of Florida sets limits on how much an admin fee can be. He said for them, it caps at 8% and believes the fee they quoted the city was 7.2% or possibly 7%, but until the city gets the grant, they do not get paid.

Mr. Cameron asked, in regards to the 3.5% funding under the commercial revitalization category, if that meant we had a very small chance of receiving the grant under that category. Mr. Vanzant advised that if the city did not specify a category the application would get thrown out. He said only about four or five applications are submitted each year, but it is highly competitive because of the small amount of funds. He said at \$3.5 million that’s about \$600,000 or so which is a typical ceiling for small cities with eligible applicants so usually it is about one or two people who get funded.

Mayor Arnold asked what the next step would be. Mr. Vanzant advised that our Citizens Advisory Task Force met in December and proposed that the city apply under the neighborhood revitalization category to look for improvements for sewer and a couple of road pavings. He said we should take that information and use it to choose a category which the city should apply under. Mr. Vanzant went on to explain that for the economic development category, we would have to have a participating party who is willing to pledge the creation of jobs for the money, specifically for every \$35,000 requested they would have to produce one job, or have to pay the money back to the state.

CDBG  
Hearing

COMM. HAMILTON MADE A MOTION THAT WE PROCEED UNDER THE NEIGHBORHOOD REVITALIZATION CATEGORY. COMM. BROWNING SECONDED THE MOTION. Mr. Petrey asked for a clarification in regards to Mrs. Cameron’s question, and Mr. Vanzant advised that a 7.2% fee had been quoted to the city and that it had been about three years since the city went through procurement. Mr. Petrey asked if that was just for design phase services. Mr. Vanzant advised it was for grant admin only and said that Jordan & Associates had done work for the city for about two years that they were not requesting payment for. Mr. Petrey asked if the grant is awarded to us, if that fee would be above the 7.2% and Mr. Vanzant assured that it would never be over that number. He said that under the engineering aspect we would have to file under what is called the RUS Fee Table, which sets the basis for design related charges. Mr. Petrey asked if those costs were eligible to which Mr. Vanzant clarified that they are as long as you procure them in accordance with federal guidelines and have what they call readiness to proceed points, where if you have a designed project when you submit the application, the fees that you paid for the design work prior to application are not eligible. Mr. Vanzant said that in the last year the state of Florida has gone through an administrative rule change to 73C-23 wherein they have adopted new changes that HUD is placed on entitlement communities and state governments that administer the small cities program. He said within the small cities program, which is what we would apply under, if the procurement has not taken place within 365 days of the date of contract or we did not state the fiscal year that we would potentially get funded in, they would have to do everyone’s procurement all over again. Mr. Petrey asked if we should do procurement for services. Mr. Vanzant advised no, because the fee would be eligible under the grant if awarded. THE MOTION PASSED BY UNANIMOUS VOTE OF THE COMMISSION 5 TO 0.

**2. APPROVAL OF MINUTES**

COMM. MORGAN NOTED A CHANGE ON PAGE 4, LINE 30, WHERE “AVAILABILITY” SHOULD BE CHANGED TO “AFFECT WATER QUALITY ON OUR AREA”. COMM. MORGAN ALSO REQUESTED ON PAGE 5, LINE 10, THAT CPE BE DETAILED AS CUSTOMER PREMISE EQUIPMENT. COMM. STRONG MADE A MOTION TO APPROVE THE MINUTES FROM DECEMBER 14, 2015. COMM. BROWNING SECONDED THE MOTION, WHICH PASSED BY UNANIMOUS VOTE OF THE COMMISSION 5 TO 0.

Minutes

**1. CITIZENS’ CONCERNS (non-agenda items) Resident**

Mrs. Boyer , 200 Hickory Ln, mentioned when the city cut all the trees along the power lines and how there is a big mess of debris that has not been straightened out since. Mayor Arnold advised that a contractor with Gulf Power had completed that work.

Citizens’ Concerns

**1. CITIZENS’ CONCERNS (non-agenda items) Non-Resident**

There were no non-resident comments.

**1. ACTION ITEMS – Added Agenda Items**

There were no added agenda items.

**2. ACTION ITEMS – GROUND LEASE BUYOUT –**

Mayor Arnold referenced a correspondence from SBA to buyout the leases and property of one of our cell towers. They are offering \$600,000 with buying the property and without the property they offered \$300,000. He said the lease terms included an expanded payout over the term of fifty-five years and that it is not in our best interest, by any stretch of the imagination, to sell out at this time for \$600,000. Comm. Morgan added that the third line on the second table, and on the left hand side, the average dollar per year is what really tells the story. Mayor Arnold said essentially they would give us 13% of our money.

SBA Buyout Cell Tower Leases

**3. ACTION ITEMS – RESOLUTION NO. 01-01-11-16 FLORIDA MUNICIPAL PENSION TRUST FUND BOARD REAPPOINTMENT**

COMM. STRONG MADE A MOTION TO APPROVE RESOLUTION NO. 01-01-11-16, A RESOLUTION REAPPOINTING VOLUNTEERS JOSEPH HART, BURT BENNETT, JIM HAWKINS, MARK NORRIS, AND TAMMY JOHNSON TO THE BOARD OF TRUSTEES FOR THE RETIREMENT PLAN AND TRUST FOR THE FIREFIGHTERS AND POLICE OFFICERS AND PROVIDING AN EFFECTIVE DATE. COMM. BROWNING SECONDED THE MOTION WHICH PASSED BY UNANIMOUS VOTE OF THE COMMISSION 5 TO 0.

Resolution No. 01-01-11-16 FMPTF Board Reappointment

**4. ACTION ITEMS– CITY ENGINEER CONTRACT**

Mayor Arnold said the city has had a contract with Poly Engineering for the last ten years or longer on a month to month basis and feels it is time for the Commission to reaffirm that they want to continue that contract or if they want to advertise. He asked if the Commission is satisfied by the services of Mr. Petrey and Poly Engineering. Comm. Morgan said we had just gone through the submission of three grants with the assistance of Mr. Petrey and he would suggest that we continue with Mr. Petrey and Poly Engineering. Mayor Arnold advised this was being addressed due to the fact that long term contracts are subject to a lot of scrutiny from the public and he wants all members of the Commission to be aware and to revalidate that we continue on the month to month contract. Comm. Morgan asked everyone to note that Mr. Petrey was exercising his right to move his rate upward. COMM. MORGAN MADE A MOTION TO CONTINUE WITH THE CONTRACT WITH POLY ENGINEERING. COMM. STRONG

Reaffirm City Engineer Contract

1. **OLD BUSINESS – Referendum Property Tax Exemption**

Mayor Arnold reminded that this is a referendum for property tax exemption; an initiative by the commission to attempt to revitalize our commercial district and attract industry and existing business people to expand their activity along with beautification. This gives tax breaks for a number of years which will be determined if the referendum passes, at the time that it passes. This will be on the referendum in March. The Mayor wished to remind everyone that the commission supports this activity.

Referendum  
Property Tax  
Exemption

1. **REPORTS/CORRESPONDENCE/ANNOUNCEMENTS – TPO/DOT**

Comm. Morgan state there was nothing to report.

2. **REPORTS/CORRESPONDENCE/ANNOUNCEMENTS – Stormwater**

Mr. Scott said nothing to report this evening as they have not had any telephone calls. Comm. Morgan said there has been some continuation with some of our out falls and how they fall on private property so they will be working on those issues. In addition he said we did submit some projects to Senator Gaetz which we have not heard any progress about.

Stormwater

3. **REPORTS/CORRESPONDENCE/ANNOUNCEMENTS – Legal Activities**

Attorney Bowman advised we have the oral argument in front of the 11<sup>th</sup> Circuit on Friday for the Willingham case. He said he would be there in Atlanta to argue our case and he anticipates a ruling within three weeks thereafter. Comm. Hamilton asked if that would be the final ruling. Attorney Bowman advised there is a potential that either side could petition an appeal to the Supreme Court but it is unlikely that the Supreme Court would grant that.

Legal  
Activities  
Willingham  
Case

4. **REPORTS/CORRESPONDENCE/ANNOUNCEMENTS – Cable Update**

Comm. Strong referenced a summary chart and detailed backup chart in the agenda package to which he was prepared to speak to and elaborate with using a presentation. Comm. Hamilton requested they wait to review so as not to rush through it to accommodate the championship football game. She proposed they postpone this review until the February meeting for this reason.

Cable Update

5. **REPORTS/CORRESPONDENCE/ANNOUNCEMENTS –Community Liaison Report**

Comm. Hamilton advised there was nothing to report at this time.

6. **REPORTS/CORRESPONDENCE/ANNOUNCEMENTS – Construction Activity**

Mayor Arnold asked Mr. Scott about construction activity within the city. Mr. Scott mentioned four major projects currently happening; the Girl’s Power Station on College Blvd, the Carondolet subdivision and that is twelve new residential structures, the Tom Thumb renovation which will break ground on February 1<sup>st</sup>, and the \$5 million renovation of the Coca Cola plant which will likely break ground around February 1<sup>st</sup>. He also said we still have five nice residential structures in construction right now and we are about to close out about \$2 million in new property tax value. Mr. Scott also advised there will also be a new restaurant going into the former Tucker Duke’s location.

Construction  
Activity

7. **REPORTS/CORRESPONDENCE/ANNOUNCEMENTS – Okaloosa County League of Cities Meeting January 14, 2016 at 6 PM**

The Mayor reminded the Commission this meeting will take place in Destin.

8. **REPORTS/CORRESPONDENCE/ANNOUNCEMENTS – Disbursements**

Mayor Arnold said everyone had copies of disbursements.

9. **REPORTS/CORRESPONDENCE/ANNOUNCEMENTS – Letter of Appreciation**

Mayor Arnold notated a letter of appreciation from the Twin Cities Veteran’s Council, for our activities on Veteran’s Day.

Letter of  
Appreciation

10. **REPORTS/CORRESPONDENCE/ANNOUNCEMENTS -**

Mr. Boyer, 200 Hickory Ln, stated that on January 12, 2016 at 10AM, the Airport Authority would be making an announcement regarding a new airline that is coming in.

New Airline

**ADJOURN**

There being no further business to be brought before the Commission, the meeting adjourned at 6:32 PM.

Adjourn

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John B. Arnold, Jr.  
Mayor

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Heyward H. Strong, Jr.  
Chair, VCA

ATTEST:

\_\_\_\_\_  
Tammy Johnson, CMC  
City Clerk

January 11, 2016

\*\*\*The DVD labeled January 11, 2016 contains the audio and video of this meeting and will be kept as a permanent part of these minutes.\*\*\*